



BERMUDA

INSURANCE (PRUDENTIAL STANDARDS) (CLASS 4 AND CLASS 3B SOLVENCY
REQUIREMENT) AMENDMENT (NO. 2) RULES 2022

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The Bermuda Monetary Authority, in exercise of the power conferred by section 6A of the Insurance Act 1978, makes the following Rules:

Citation

1 These Rules may be cited as the Insurance (Prudential Standards) (Class 4 and Class 3B Solvency Requirement) Amendment (No. 2) Rules 2022.

Amends paragraph 6

2 Paragraph 6 of the Insurance (Prudential Standards) (Class 4 and Class 3B Solvency Requirement) Rules 2008 is amended as follows—

- (a) in subparagraph (1) by inserting “IVF,” after “IVE,”;
- (b) in subparagraph (2) by inserting “IVF,” after “IVE,”;
- (c) in subparagraph (2A)(b) by inserting “IVF,” after “IVE,”.

INSURANCE (PRUDENTIAL STANDARDS) (CLASS 4 AND CLASS 3B SOLVENCY REQUIREMENT) AMENDMENT (NO. 2) RULES 2022

Amends paragraph 6AB

3 Paragraph 6AB of the Insurance (Prudential Standards) (Class 4 and Class 3B Solvency Requirement) Rules 2008 is amended—

- (a) in subparagraph (2)(a) by deleting the last occurrence of the word “and”;
- (b) in subparagraph (2)(b)(iii)(C) by deleting the full stop and substituting “; and”;
- (c) by inserting the following after subparagraph (2)(b)—
 - “(c) the ECR ratio for the financial quarter;
 - (d) the total quoted bonds and total unquoted bonds allocated by the BSCR rating for the financial quarter;
 - (e) details of any qualifying catastrophic event that occurred during the financial quarter.”;
- (d) by inserting the following after subparagraph (2)—

“(2A) For the purposes of subparagraph (2)(e), a “qualifying catastrophic event” means the occurrence of a catastrophic event as recognized by a catastrophe modelling firm approved by the Authority that has publicly estimated industry insured losses resulting from the catastrophe at US\$5 billion or more, or any such event determined by the Authority.”.

Inserts new Schedule IVF

4 The Insurance (Prudential Standards) (Class 4 and Class 3B Solvency Requirement) Rules 2008 are amended by inserting after Schedule IVE a new Schedule IVF entitled “Schedule of Risk Exposure” as set out in the Schedule to these Rules.

Commencement

5 These Rules are deemed to have come into operation on 1 July 2022.

INSURANCE (PRUDENTIAL STANDARDS) (CLASS 4 AND CLASS 3B SOLVENCY
REQUIREMENT) AMENDMENT (NO. 2) RULES 2022

SCHEDULE

(paragraph 4)

SCHEDULE IVF

SCHEDULE OF RISK EXPOSURE

In accordance with section 6A(8) of the Insurance Act 1978, this Schedule is published on the website of the Authority, www.bma.bm.

Made this 4th day of November 2022

Chairman
Bermuda Monetary Authority

[Operative Date: 01 July 2022]